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April 7, 2006

VIA OVERNIGHT DELIVERY

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: Bay State Gas Company, D.T.E. 06-07

Dear Ms. Cottrell:

Enclosed for filing are the responses of Bay State Gas Company ("Bay State") to AG 2-1, AG 2-2 and AG 2-3.

In addition, please find enclosed, Bay State's REVISED Responses to AG 1-1 and AG 1-13. Please note that single copies of each of the Confidential Materials, which are CONFIDENTIAL Attachment AG-1-1 (A) and CONFIDENTIAL Attachment AG-1-1 (B), are filed in a separately sealed envelope identified by the words CONFIDENTIAL MATERIALS ENCLOSED. Please secure these materials.

A copy of this letter is provided so that you may date stamp and return it for our files. Thank you, as always, for your attention to this matter.

Very truly yours,

Patricia M. French

Encs.

cc: Denise Desautels, Esq., Hearing Officer, DTE
Jamie Tosches, Assistant Attorney General, Office of the Attorney General

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
SECOND SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-7

Date: April 7, 2006

Witness Responsible: Francisco C. DaFonte
Director, Energy Supply Services

AG 2-1: Please provide the Transco and DTI transportation contracts
assignable by NEA to Bay State during the term of the NEA
Agreement.

RESPONSE: Attachment AG 2-1 (A) is the transportation contract between NEA and
Transcontinental Gas Pipe Line Corporation ("Transco"). Attachment AG
2-1 (B) is the transportation contract between NEA and CNG
Transmission Corporation ("DTI").

AUG-14-2003 10:24

WILLIAMS-TRANSCO

713 215 4608 P.03

SERVICE AGREEMENT

THIS AGREEMENT entered into this 1st day of February 2003, by and between TRANSCONTINENTAL GAS PIPE LINE CORPORATION, a Delaware corporation, hereinafter referred to as "Seller," first party, and NORTHEAST ENERGY ASSOCIATION, hereinafter referred to as "Buyer," second party,

WITNESSETH

WHEREAS, Buyer has requested to convert Buyer's Part 157 firm transportation service under Seller's Rate Schedule X-320 to Part 284 firm transportation service under Seller's Rate Schedule FTNP; and

NOW, THEREFORE, Seller and Buyer agree as follows:

ARTICLE I
GAS TRANSPORTATION SERVICE

1. Subject to the terms and provisions of this agreement and of Seller's Rate Schedule FT, Buyer agrees to deliver or cause to be delivered to Seller gas for transportation and Seller agrees to receive, transport and redeliver natural gas to Buyer or for the account of Buyer, on a firm basis, up to a Transportation Contract Quantity ("TCQ") of 50,508 DT per day.
2. Transportation service rendered hereunder shall not be subject to curtailment or interruption except as provided in Section 11 of the General Terms and Conditions of Seller's FERC Gas Tariff.

ARTICLE II
POINT(S) OF RECEIPT

Buyer shall deliver or cause to be delivered gas at the point(s) of receipt hereunder at a pressure sufficient to allow the gas to enter Seller's pipeline system at the varying pressures that may exist in such system from time to time; provided, however, the pressure of the gas delivered or caused to be delivered by Buyer shall not exceed the maximum operating pressure(s) of Seller's pipeline system at such point(s) of receipt. In the event the maximum operating pressure(s) of Seller's pipeline system, at the point(s) of receipt hereunder, is from time to time increased or decreased, then the maximum allowable pressure(s) of the gas delivered or caused to be delivered by Buyer to Seller at the point(s) of receipt shall be correspondingly increased or decreased upon written notification of Seller to Buyer. The point(s) of receipt for natural gas received for transportation pursuant to this agreement shall be:

See Exhibit A, attached hereto, for points of receipt.

ARTICLE III
POINT(S) OF DELIVERY

Seller shall redeliver to Buyer or for the account of Buyer the gas transported hereunder at the following point(s) of delivery and at a pressure(s) of:

See Exhibit B, attached hereto, for points of delivery and pressures.

AUG-14-2003 10:25

WILLIAMS-TRANSCO

713 215 4608

P.04

SERVICE AGREEMENT (Continued)

ARTICLE IV
TERM OF AGREEMENT

This agreement shall be effective as of February 1, 2003, and shall remain in force and effect until 9:00 a.m. Central Clock Time October 31, 2006 and thereafter until terminated by Seller or Buyer upon at least one year prior written notice; provided, however, this agreement shall terminate immediately and, subject to the receipt of necessary authorizations, if any, Seller may discontinue service hereunder if (a) Buyer, in Seller's reasonable judgement fails to demonstrate credit worthiness, and (b) Buyer fails to provide adequate security in accordance with Section 32 of the General Terms and Conditions of Seller's Volume No. 1 Tariff. As set forth in Section 8 of Seller's August 7, 1989 revised Stipulation and Agreement in Docket Nos. RP88-68 et.al., (a) pregranted abandonment under Section 284.221(d) of the Commission's Regulations shall not apply to any long term conversions from firm sales service to transportation service under Seller's Rate Schedule FT and (b) Seller shall not exercise its right to terminate this service agreement as it applies to transportation service resulting from conversions from firm sales service so long as Buyer is willing to pay rates no less favorable than Seller is otherwise able to collect from third parties for such service.

ARTICLE V
RATE SCHEDULE AND PRICE

1. Buyer shall pay Seller for natural gas delivered to Buyer hereunder in accordance with Seller's Rate Schedule FT and the applicable provisions of the General Terms and Conditions of Seller's FERC Gas Tariff as filed with the Federal Energy Regulatory Commission, and as the same may be legally amended or superseded from time to time. Such Rate Schedule and General Terms and Conditions are by this reference made a part hereof. In the event Buyer and Seller mutually agree to a negotiated rate and specified term for service hereunder, provisions governing such negotiated rate (including surcharges) and term shall be set forth on Exhibit C to the service agreement. h/c

2. Seller and Buyer agree that the quantity of gas that Buyer delivers or causes to be delivered to Seller shall include the quantity of gas retained by Seller for applicable compressor fuel, line loss make-up (and injection fuel under Seller's Rate Schedule GSS, if applicable) in providing the transportation service hereunder, which quantity may be changed from time to time and which will be specified in the currently effective Sheet No. 44 of Volume No. I of this Tariff which relates to service under this agreement and which is incorporated herein.

3. In addition to the applicable charges for firm transportation service pursuant to Section 3 of Seller's Rate Schedule FT, Buyer shall reimburse Seller for any and all filing fees incurred as a result of Buyer's request for service under Seller's Rate Schedule FT, to the extent such fees are imposed upon Seller by the Federal Energy Regulatory Commission or any successor governmental authority having jurisdiction.

AUG-14-2003 10:25

WILLIAMS-TRANSCO

713 215 4608 P.05

SERVICE AGREEMENT (Continued)

ARTICLE VI
MISCELLANEOUS

1. This agreement supersedes and cancels as of the effective date hereof the following contracts):

The Northeast Energy Association and Transcontinental Gas Pipe Line Corporation former X-320 Service Agreement .5328, dated November 1, 1991.

2. No waiver by either party of any one or more defaults by the other in the performance of any provisions of this agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or different character.

3. The interpretation and performance of this agreement shall be in accordance with the laws of the State of Texas, without recourse to the law governing conflict of laws, and to all present and future valid laws with respect to the subject matter, including present and future orders, rules and regulations of duly constituted authorities.

4. This agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns.

5. Notices to either party shall be in writing and shall be considered as duly delivered when mailed to the other party at the following address:

(a) If to Seller:
Transcontinental Gas Pipe Line Corporation
P. O. Box 1396
Houston, Texas 77251
Attention: Director, Customer Services

(b) If to Buyer:
Northeast Energy Association
C/O Florida Power
700 Universe Blvd
Juno Beach, FL 33408
Attention: Nate Hanson

Such addresses may be changed from time to time by mailing appropriate notice thereof to the other party by certified or registered mail.

AUG-14-2003 10:25

WILLIAMS-TRANSCO

713 215 4608 P.06

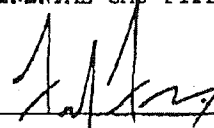
23 0180 000

SERVICE AGREEMENT (Continued)

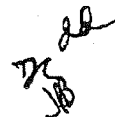
IN WITNESS WHEREOF the parties hereto have caused this agreement to be signed
by their respective officers or representatives thereunto duly authorized.

TRANSCONTINENTAL GAS PIPE LINE CORPORATION
(Seller)

By

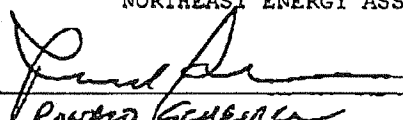


Frank Ferazzi
Vice President
Customer Service - Transco
Jm



NORTHEAST ENERGY ASSOCIATION
(Buyer)

By


Ronald Schenker
VICE PRESIDENT

AUG-14-2003 10:25

WILLIAMS-TRANSCO

713 215 4608 P.07

EXHIBIT A

ATTACHED AND MADE A PART OF THAT SERVICE AGREEMENT BY AND BETWEEN
TRANSCONTINENTAL GAS PIPELINE CORPORATION, AS SELLER, AND NORTHEAST ENERGY
ASSOCIATION, AS BUYER, DATED FEBRUARY 1, 2003

POINT (S) OF RECEIPT

BUYER'S CUMULATIVE
MAINLINE CAPACITY
ENTITLEMENT (Dt/d)

1. The points of Interconnection
between 1) Seller and Pipeline facilities
jointly owned by National Fuel and CNG
Transmission Corporation and TETCO at Leidy,
Clinton County, Pennsylvania, and 2) Seller
and the Pipeline facilities owned by CNG at
Leidy, Clinton County, Pennsylvania.

50,508 ^{1/}

1/ These quantities do not include the additional quantities of gas retained by
Seller for applicable compressor fuel and line loss make-up provided for in
Article V, 2 of this Service Agreement, which are subject to change as provided
for in Article V, 2 hereof. Deliveries of gas for transportation hereunder at
the Points of Receipt shall be made at any pressure that Seller may require,
but in no event greater than 1,200 psig.

AUG-14-2003 10:25

WILLIAMS-TRANSCO

713 215 4608 P.08

Exhibit B

ATTACHED AND MADE A PART OF THAT SERVICE AGREEMENT BY AND BETWEEN
TRANSCONTINENTAL GAS PIPELINE CORPORATION, AS SELLER, AND NORTHEAST ENERGY
ASSOCIATION, AS BUYER, DATED FEBRUARY 1, 2003

Point(s) of Delivery

1. Existing Centerville point of
interconnect between Algonquin
Gas Transmission Company and
Seller located in Somerset
County, New Jersey.

Pressure(s)

Prevailing pressure in
Seller's pipeline system
not to exceed maximum
allowable operating
pressure.

AUG-14-2003 10:25

WILLIAMS-TRANSCO

713 215 4608 P.09

Exhibit C

23 0180 000

ATTACHED AND MADE A PART OF THAT SERVICE AGREEMENT BY AND BETWEEN
TRANSCONTINENTAL GAS PIPELINE CORPORATION, AS SELLER, AND NORTHEAST ENERGY
ASSOCIATION, AS BUYER, DATED FEBRUARY 1, 2003

Specification of Negotiated Rate and Term

None.

AMENDMENT TO SERVICE AGREEMENT

THIS AMENDMENT ("Amendment") is entered into this 12 day of September, 2005 by and between TRANSCONTINENTAL GAS PIPE LINE CORPORATION, a Delaware corporation, hereinafter referred to as "Seller," first party, and NORTHEAST ENERGY ASSOCIATES, hereinafter referred to as "Buyer," second party.

WITNESSETH

WHEREAS, Seller and Buyer are parties to that certain Service Agreement, dated February 1, 2003, under Seller's Rate Schedule FT ("Service Agreement") pursuant to which Seller provides firm transportation service for Buyer up to a Transportation Contract Quantity of 50,508 dekatherms of natural gas per day; and

WHEREAS, Seller and Buyer now desire to extend the primary term of the Service Agreement from and after 9:00 a.m. Central Clock Time October 31, 2006.

NOW THEREFORE, Seller and Buyer hereby agree to amend the Service Agreement as follows:

1. Article IV of the Service Agreement is hereby deleted in its entirety and replaced by the following:

ARTICLE IV TERM OF AGREEMENT

This agreement shall be effective as of February 1, 2003 and shall remain in force and effect until 9:00 a.m. Central Clock Time November 1, 2011 and thereafter until terminated by Seller or Buyer upon at least one (1) year written notice; provided, however, this agreement shall terminate immediately and, subject to the receipt of necessary authorizations, if any, Seller may discontinue service hereunder if (a) Buyer, in Seller's reasonable judgement fails to demonstrate credit worthiness, and (b) Buyer fails to provide adequate security in accordance with Section 32 of the General Terms and Conditions of Seller's Volume No. 1 Tariff. As set forth in Section 8 of Article II of Seller's August 7, 1989 revised Stipulation and Agreement in Docket Nos. RP88-68 et al., (a) pregranted abandonment under Section 284.221(d) of the Commission's Regulations shall not apply to any long term conversions from firm sales service to transportation service under Seller's Rate Schedule FT and (b) Seller shall not exercise its right to terminate this service agreement as it applies to transportation service resulting from conversions from firm sales service so long as Buyer is willing to pay rates no less favorable than Seller is otherwise able to collect from third parties for such service.

2. This Amendment shall be effective as of the date first above written.
3. Except as herein amended, the Service Agreement shall remain in full force and effect pursuant to the terms thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be signed by their respective officers or representative thereunto duly authorized.

TRANSCONTINENTAL GAS PIPE LINE
CORPORATION ("SELLER")

By Paul F. Egnor, III
Paul F. Egnor, III
Director - Marketing Services - North

NORTHEAST ENERGY ASSOCIATES
("BUYER")

By NEA General Partner
By NEA Administrator General Partner
By [Signature]
Title Gen. Director

CNG

FTK# 200015
X-71
7c**FIRM TRANSPORTATION SERVICE AGREEMENT**

Agreement, made this 28th day of February, 1994, by and between CNG TRANSMISSION CORPORATION, a Delaware Corporation, hereinafter called "Transporter" or "CNG", and NORTHEAST ENERGY ASSOCIATES, a Massachusetts Limited Partnership, acting through its Managing General Partner, Intercontinental Energy Corporation, hereinafter called "Shipper" or "Northeast"; and only for the limited purpose of Article VII of this Agreement, ProGas USA, a Delaware corporation ("ProGas USA" or "Shipper", as appropriate) and ProGas Limited, a Canadian corporation ("ProGas").

WHEREAS, CNG, Northeast, Texas Eastern, and ProGas are parties to a Firm Transportation Agreement dated March 1, 1991, and Texas Eastern has assigned its rights under that agreement to ProGas USA and such assignment has been approved by the Federal Energy Regulatory Commission; and

WHEREAS, Transporter has obtained authorization to add a new point of delivery for quantities transported under this agreement; and

WHEREAS, Northeast, Texas Eastern and ProGas are parties to a letter agreement dated November 21, 1991, that affected some of the terms and conditions of Article VII of the March 1, 1991, Firm Transportation Agreement; and

WHEREAS, Shipper has requested that Transporter transport natural gas pursuant to the terms and conditions hereof; and

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WHEREAS, Transporter has agreed to provide such transportation for Shipper pursuant to the terms and conditions hereof; and

WHEREAS, at certain times when Northeast is unable to take gas as more fully explained in Article VII of this Agreement, ProGas USA agrees to act as Shipper and Transporter agrees to provide transportation for ProGas USA hereunder.

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport, or cause to be transported, for Shipper, on a firm basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the rates and on the terms and conditions hereinafter provided.

ARTICLE I
Quantities

Beginning on October 1, 1993, and thereafter for the remaining term of this Agreement, Transporter agrees to receive for Shipper's account for transportation and delivery, and Shipper agrees to tender, or cause to be tendered, for receipt and transportation up to the following quantities of natural gas:

Maximum Daily Transportation Quantity (MDTQ) of 48,817 Dekatherms (Dt)

Maximum Annual Transportation Quantity (MATQ) of 17,818,205 Dekatherms (Dt)

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ARTICLE II
Rate

1. Commencing on the date established under Article I of this Agreement, concerning the rights and obligations of CNG and Shipper to receive, transport and deliver natural gas and to tender natural gas for transportation, respectively, for services rendered hereunder for Shipper by Transporter Shipper shall pay Transporter a two-part rate as follows:

- a. Demand Charge -- a charge of \$4.9353 per dekatherm per month, multiplied by the MDTQ specified in Article I; and
- b. Commodity Charge -- a charge of \$0.0175 per dekatherm, plus applicable surcharges, for each dekatherm of gas transported by Transporter for Shipper hereunder.

The Demand and Commodity Charges include all charges for gas used by Transporter in providing this transportation service to Shipper.

2. Transporter shall have the unilateral right to propose, file, and make effective with the Commission, or other body having jurisdiction, changes to and revisions of the rates, charges and rate design described above and any rate schedule or superseding rate schedule which may be made applicable hereto, pursuant to Section 4 of the Natural Gas Act; provided however, that Transporter shall not have the right to propose, file, or make effective any changes in the (i) firm character of service, (ii) term, (iii) quantities and (iv) points of receipt and delivery without the prior consent

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of Shipper. Shipper shall have the right to oppose any filings or proposals by Transporter, and to oppose actions of the Commission taken on such filings or proposals. In addition, Shipper shall have all rights available to it under Section 5 of the Natural Gas Act or any successor statutory provision or regulation.

3. Transporter may make any filings required by the Commission's order approving the services and facilities necessary to render the services contemplated herein, including filings that may change the rate or rate design applicable to such services. Shipper shall have the right to oppose any such filings made by Transporter, and to oppose actions taken by the Commission on such filings.

ARTICLE III
Term of Agreement

This Agreement shall be effective as of the date first written above, and shall have a primary term ending November 1, 2011. Notwithstanding the foregoing, CNG shall not terminate transportation service for Shipper until CNG shall have received abandonment authority under Section 7(b) of the Natural Gas Act or any successor statute or regulation.

ARTICLE IV
Points of Receipt and Delivery

Receipt/Delivery
Points

MDTO

Receipt Point:

Located at the U.S. side of the International Boundary in Niagara Falls, Erie County, New York at a point known as the Niagara Import

48,817 Dt

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Point, at the interconnection between the facilities of TransCanada PipeLines Ltd. and CNG.

Northeast Delivery Point(s):

At the interconnection between the facilities of CNG and the facilities of Transcontinental Gas Pipe Line Corporation located in Clinton County, Pennsylvania at a point known as Leidy. 48,817 Dt

At the interconnection between the facilities of CNG and Texas Eastern Transmission Corporation located at Clinton County, Pennsylvania at a point known as Leidy. 48,817 Dt

At the interconnection between the facilities of CNG and Texas Eastern Transmission Corporation located at Franklin County, Pennsylvania at a point known as Chambersburg. 48,817 Dt

Northeast Alternate Delivery Point:

Upon mutual agreement, at the interconnection between the facilities of CNG and Texas Eastern Transmission Corporation located in Westmoreland County, Pennsylvania at a point known as Oakford. Up to 48,817 Dt

ProGas USA Delivery Point:

At the interconnection between the facilities of CNG and Texas Eastern Transmission Corporation located at Clinton County, Pennsylvania at a point known as Leidy. 48,817 Dt

At the interconnection between the facilities of CNG and Texas Eastern Transmission Corporation located at Franklin County, Pennsylvania at a point known as Chambersburg. 48,817 Dt

ProGas USA Alternate Delivery Point:

Subject to Article VII, subparagraph 5, at the interconnection between the facilities of CNG and Texas Eastern Trans- Up to 48,817 Dt

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mission Corporation located in
Westmoreland County, Pennsylvania
at a point known as Oakford.

Deliveries by Transporter to Northeast and ProGas USA
shall be made at pressures sufficient to enable the gas to
enter the facilities of Transcontinental Gas Pipe Line
Corporation or the facilities of Texas Eastern Transmission
Corporation.

ARTICLE V
Imbalances

If imbalances arise between the quantities nominated by
Shipper for receipt and transportation by Transporter, and the
actual quantities delivered to Transporter, then Shipper shall
rectify such imbalances within sixty (60) days after receipt
of written notice of such imbalances from Transporter, or
other mutually agreeable periods of time, by adjusting the
nomination of daily quantities.

ARTICLE VI
Incorporation By Reference of Tariff Provisions

Except to the extent they may be inconsistent with the
terms and conditions of this Agreement, in which case the
terms and conditions of this Agreement shall apply, the
following provisions of Transporter's effective FERC Gas
Tariff are hereby made applicable to service hereunder and a
part hereof by reference:

- (a) All of the provisions of Rate Schedule FT, or
any effective superseding rate schedule or
otherwise applicable rate schedule; and

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- (b) All of the provisions of the General Terms and Conditions, or as they may be revised or superseded from time to time, except those provisions applicable only to sales.

ARTICLE VII
ProGas USA Shipments

1. If ProGas gives ProGas USA nine (9) days advance written notice that a quantity of Northeast's Canadian gas will be available for purchase by ProGas USA on a firm basis for a period of not less than seven (7) days during the Winter Period (from December 15 through March 31) of any contract year, up to the contract year which expires October 31, 1996, then for such period ProGas USA shall assume the rights and obligations of Northeast as to such quantity under this Firm Transportation Service Agreement, and CNG shall bill ProGas USA for, and shall credit Northeast's invoice by, an amount equal to the monthly demand charge per dekatherm multiplied by 12 and divided by 365 for each dekatherm of gas made available to ProGas USA under this subparagraph. CNG shall also bill ProGas USA the applicable commodity charge for each dekatherm of gas actually transported for ProGas USA pursuant to this subparagraph 1. Notice by ProGas pursuant to this subparagraph shall entitle CNG to bill ProGas USA and credit Northeast's invoice hereunder. Copies of any notice under this subparagraph shall be sent to all other parties.

2. If ProGas or Northeast gives ProGas USA advance notice that a quantity of Northeast's Canadian gas will be

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available for purchase by ProGas USA during (1) the period April 1 through December 14 of any contract year up to and including the contract year ending October 31, 1996, or 92) for a period of less than seven (7) days during the Winter Period in any contract year up to and including the contract year ending October 31, 1996, or (3) at any time during a contract year commencing November 1, 1996, or thereafter, and if ProGas USA elects to purchase such quantities of such Canadian gas, CNG shall bill ProGas USA for, and CNG shall credit Northeast's demand charges by, an amount equal to the monthly demand charge multiplied by 12 and divided by 365 for each dekatherm of such quantity of gas transported by CNG for ProGas USA. CNG shall also bill ProGas USA the applicable commodity charge for each dekatherm of gas actually transported for ProGas USA pursuant to this subparagraph 2. Should ProGas USA not elect to purchase such quantities of Canadian gas pursuant to this subparagraph 2, then ProGas USA shall not be liable for any such demand and commodity charges and the provisions of this Agreement between Northeast and CNG, other than this Article VII, shall apply. Copies of any notice under this subparagraph shall be sent to all other parties.

3. In the event that ProGas USA purchases gas under this Article VII, CNG agrees to deliver, on a firm basis, up to 48,817 dt/d to the Leidy or Chambersburg interconnections between CNG and Texas Eastern or, in the alternative, upon request by ProGas USA, to use its reasonable efforts to

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deliver any or all of such gas, up to 48,817 dt/d, to the Oakford interconnection between CNG and Texas Eastern. Subject to the foregoing, CNG shall not be obligated to make such deliveries at Oakford, and the inability of CNG to do so shall not relieve ProGas USA of its rights and obligations under this Agreement.

4. For the purposes of preparing and presenting a statement for transportation services to ProGas USA instead of Northeast during those periods when ProGas USA is Shipper under this Article VII, CNG may rely on ProGas' notice (with copies to all parties) to ProGas USA under subparagraph 1 of this Article VII, and CNG may rely on ProGas USA's signed notice of acceptance (with copies to all parties) under subparagraph 2 of this Article VII. ProGas USA agrees to notify CNG (with copies to all parties) when electing or agreeing to purchase gas under subparagraph 2, which notification shall be made at least twenty-four (24) hours prior to the time deliveries by CNG for ProGas USA are to commence unless CNG and ProGas USA otherwise agree. ProGas USA agrees to notify CNG (with copies to all parties) when electing or agreeing to pay transportation charges after November 1, 1996, under subparagraph 2, which notification shall be made at least twenty-four (24) hours prior to the time deliveries by CNG for ProGas USA are to commence unless CNG and ProGas USA otherwise agree.

5. Northeast may recall any transportation service rights assumed by ProGas USA under this Article VII, by

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providing CNG with at least twenty-four (24) hours advance notice, unless otherwise agreed, provided however that Northeast may only exercise this recall right for capacity which is necessary to move Canadian gas which Northeast has recalled from ProGas pursuant to paragraph 2 of a Letter Agreement among Northeast, ProGas, and Texas Eastern dated November 21, 1991.

ARTICLE VIII
Miscellaneous

1. No modification of this Agreement shall be made except by written amendment to be executed by CNG and Northeast. In addition, no modification to Article VII of this Agreement, or otherwise affecting ProGas USA and ProGas hereunder directly, will be effective unless also agreed to and executed in writing by ProGas USA and ProGas.

2. No waiver by any party of any one or more defaults by another party in the performance of any provision of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any entity which shall succeed by purchase, merger or consolidation to the properties, substantially as an entirety, of any party, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement. Any party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to an entity or

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entities with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of CNG and Northeast, which consent shall not be unreasonably withheld; provided that either CNG or Northeast may pledge or mortgage or assign its rights hereunder as security for indebtedness without the consent of the other parties. Subject to issuance of necessary governmental and regulatory approvals and authorizations, if any, and so long as this Agreement remains in effect, CNG hereby consents to the assignment, resale or brokering by Northeast of its firm transportation rights and obligations under this Agreement. It is expressly understood and agreed that CNG makes no representation that it will seek and is not required to seek such approvals and authorizations. It is also understood that Northeast shall not be prohibited from seeking such approvals and authorizations.

4. Notices to any party shall be sent by United States mail, telecopy, overnight delivery, or Western Union telegram addressed as follows:

CNG: CNG Transmission Corporation
445 West Main Street
Clarksburg, West Virginia 26301
Attention: Vice President,
Marketing and Customer Services

Northeast: Northeast Energy Associates,
A Limited Partnership
c/o Intercontinental Energy Corporation
350 Lincoln Place, Suite 111
Hingham, Massachusetts 02043
Attention: Vice President, Fuel Supply

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ProGas USA: ProGas USA
400 Third Avenue, S.W.
Suite 4100
Calgary, Alberta, Canada T2P 4H2
Attention: Manager, Marketing

ProGas: ProGas Limited
400 Third Avenue, S.W.
Suite 4100
Calgary, Alberta, Canada T2P 4H2
Attention: Manager, Marketing

All notices shall be deemed received when delivered to the receiving party.

7. The subject headings of the Articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement or considered in any interpretation of the same.

8. No presumption shall operate in favor of or against any party hereto as a result of any responsibility any party may have had for drafting this Agreement.

9. The interpretation and performance of this Agreement shall be in accordance with the law of the State of West Virginia, excluding the choice of law rules thereof.

10. This Agreement and the respective obligations of the parties hereunder are subject to all applicable present and future valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction over the parties, their facilities or gas supply, this Agreement or any provision hereof. No party shall be held in default for failure to perform hereunder if such performance is prohibited by

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applicable laws, orders, rules or regulations of any such duly constituted authorities.

11. This Agreement may be executed by one or more of the parties to the Agreement on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same agreement.

CNG TRANSMISSION CORPORATION
FERC GAS TARIFF
Original Volume No. 2A

First Revised Sheet No. 437
Superseding
Original Sheet No. 437

IN WITNESS WHEREOF, the parties hereto have caused
this Agreement to be signed by their duly authorized officers
as of the day and year first above written.

CNG TRANSMISSION CORPORATION
(Transporter)

By: Joseph A. Curia
Vice President, Marketing and
Customer Services

Signature page to Firm Transportation Agreement dated February
28, 1994, among CNG Transmission Corporation, Northeast Energy
Associates, and, only for the limited purpose of Article VII
of this Agreement, ProGas USA and ProGas Limited.

Issued by: Jon B. Slaby, Vice President
Issued on: March 14, 1994

Effective: October 1, 1993

- 15 -

NORTHEAST ENERGY ASSOCIATES,
A Limited Partnership (Shipper)

By: Intercontinental Energy Corporation,
Its Sole General Partner

Name: [Signature]
Title: Gen. Mgr.

Name: [Signature]
Title: Asst. Mgr.

Name: [Signature]
Title: Asst. Mgr.

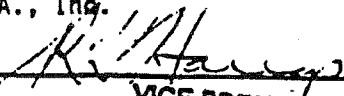
Signature page to Firm Transportation Agreement dated February
__, 1994, among CNG Transmission Corporation, Northeast Energy
Associates, and, only for the limited purpose of Article VII
of this Agreement, ProGas USA, and ProGas Limited.


CNG TRANSMISSION CORPORATION
FERC GAS TARIFF
Original Volume No. 2A

First Revised Sheet No. 439
Superseding
Original Sheet No. 439

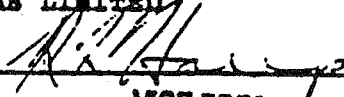
The undersigned parties, ProGas USA and ProGas Limited, are signatory to this Agreement only for Article VII, and execute below only for the purposes of such Article.

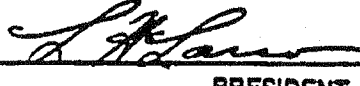
ProGas U.S.A., Inc.

By: 
Title: VICE PRESIDENT

By: 
Title: PRESIDENT

PROGAS LIMITED

By: 
Title: VICE PRESIDENT

By: 
Title: PRESIDENT

Signature page to Firm Transportation Agreement dated February 28, 1994, among CNG Transmission Corporation, Northeast Energy Associates, and, only for the limited purpose of Article VII of this Agreement, ProGas USA and ProGas Limited.

Issued by: Jon B. Slaby, Vice President
Issued on: March 14, 1994

Effective: October 1, 1993

AUG-14-2003 10:24

WILLIAMS-TRANSCO

713 215 4608 P.02

23 0180 000

System Contract # ~~4990~~

FILE:	
PROJECT:	<i>Billyham</i>
FILE:	<i>Accounts</i>
	<i>Transportation</i>
	<i>From GMA</i>

-Transco: *DEA*

Contract # 4990

FTK# 1044990

Part 25

FT-NIPPS

50,508 cl/18

SERVICE AGREEMENT

between

TRANSCONTINENTAL GAS PIPE LINE CORPORATION

and

NORTHEAST ENERGY ASSOCIATION

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
SECOND SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-7

Date: April 7, 2006

Witness Responsible: Francisco C. DaFonte
Director, Energy Supply Services

AG 2-2: Please provide the estimate of capacity release values used in the cost comparison of Attachment AG 1-10 CONFIDENTIAL.

RESPONSE: For modeling purposes, the Algonquin, Dominion and Transco capacity is released at the maximum tariff rates, or about \$761,000 per month, for the months of November and March only. The total annual release value is approximately \$1.5 million. There was no release value from April through October. However, the Company expects to receive some value for this capacity during these off-peak months.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
SECOND SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-7

Date: April 7, 2006

Witness Responsible: Francisco C. DaFonte
Director, Energy Supply Services

AG 2-3: AG 1-12 refers to a demand forecast that was conducted after DTE 02-75, that allowed Bay State to conclude that it will need additional resources to meet design day conditions in 2009. Provide the demand forecast.

RESPONSE: Please see Attachment AG-2-3. It includes the demand forecast and expected resources available to meet that demand, by division, over the period 2006 through 2010.

As shown in the line entitled Reserve Capacity, the Company's Brockton division is expected to have a negative reserve in 2009; thus a need for additional design day resources.

Summary of Bay State Gas Resources
(MMBtu)

Brockton Division	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Springfield Division	2005-2006	Total Bay State	2005-2006
Total Pipeline	145,369	135,369	135,369	135,369	135,369	Total Pipeline	63,269	Total Pipeline	208,688
Total Storage	37,629	37,629*	37,629*	37,629*	37,629*	Total Storage	42,660	Total Storage	80,290
Total Peaking	74,000	74,000	74,000	74,000	74,000	Total Peaking	105,000	Total Peaking	179,000
Total Capacity	256,999	246,999	246,999	246,999	246,999	Total Capacity	210,930	Total Capacity	467,978
Total Demand	265,258	267,911	270,590	273,296	276,029	Total Demand	238,892	Total Demand	504,150
Grandfathered Requirements	25,511	25,766	26,024	26,284	26,547	Grandfathered Requirements	33,335	Grandfathered Requirements	58,846
Net Demand	239,747	242,144	244,566	247,012	249,482	Net Demand	205,557	Net Demand	445,304
Reserve Capacity	17,252	4,854	2,433	(13)	(2,483)	Reserve Capacity	5,373	Reserve Capacity	22,674

*Assumes a firm seasonal bridge service for 10,000 Dth/day on Texas Eastern which the Company has procured for the past several winter periods.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
FIRST SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-7

Date: April 7, 2006

Witness Responsible: Francisco C. DaFonte
Director, Energy Supply Services

REVISED

AG 1-1: Please provide copies of all existing, proposed, and expired contracts between Bay State (and/or any Bay State affiliates) and Northeast Gas Association (NEA) (and/or any of its affiliates). Include copies of the original contracts and all amendments for all existing, proposed, and expired contracts.

REVISED

RESPONSE: As noted in Exhibit FCD-1 CONFIDENTIAL, Bay State had a Confirmation of Short-Term Natural Gas Transaction with NEA. This confirmation is included here as CONFIDENTIAL Attachment REVISED AG 1-1 (A).

CONFIDENTIAL Attachment REVISED AG 1-1 (B) is the Company's North American Energy Standards Board (NAESB) Base Contract for Sale and Purchase of Natural Gas with NEA. Bay State and all LDCs, for that matter, have a NAESB Base Contract with potential suppliers. The NAESB Base Contract is an industry-accepted template parties use to conduct future business. Special provisions are included. The NAESB Base Contract does not in and of itself specify that a particular arrangement has been entered into but, rather, that any future contractual arrangements will be governed by the terms of the NAESB Base Contract. Any commercial terms are specified in the Confirmation of the Gas Transaction. See Exhibit FCD-1 CONFIDENTIAL.

Bay State hereby claims protection for these contracts on the same basis and under the protection granted by the Hearing Officer for Exhibit FCD-1 CONFIDENTIAL. In particular, protection from public disclosure of certain paragraphs of the short-term NEA and NAESB gas supply agreements is claimed because those provisions contain material that is confidential, commercially sensitive and/or proprietary to Bay State. These gas supply contracts are not available in the public domain and contain individually negotiated terms. Accordingly, Bay State provides CONFIDENTIAL Attachment REVISED AG-1-1 (A) and CONFIDENTIAL Attachment REVISED AG-1-1 (B) in single copy under seal to the Hearing Officer. Any other party may view these materials following execution of a mutual agreement relating to non-disclosure.

**CONFIRMATION OF
SHORT-TERM NATURAL GAS TRANSACTION**

This Confirmation (this "Confirmation") shall confirm the purchase and sale of natural gas, on a firm basis, and the release of firm transportation capacity agreed to as of October 13, 2005 (the "Effective Date") between Northeast Energy Associates, a Limited Partnership and Bay State Gas Company. This Confirmation and the transactions contemplated herein constitute part of, and are subject to, the terms and conditions of the Base Contract for Sale and Purchase of Natural Gas dated October 13, 2005 between the Parties hereto (the "Base Contract"). Capitalized terms not defined in this Confirmation shall have the meanings set forth in the Base Contract. In the event of any inconsistency between the provisions of the Base Contract and this Confirmation, the Confirmation shall prevail.

GENERAL INFORMATION

<u>Buyer:</u>	Bay State Gas Company ("BSG")
<u>Trader/Originator:</u>	F. Chico DaFonte
<u>Fax Number:</u>	508.870.2294
<u>Seller:</u>	Northeast Energy Associates, a Limited Partnership ("NEA")
<u>Trader/Originator:</u>	Steve Durio
<u>Fax Number:</u>	713.739.7650
<u>Transaction Term:</u>	January 1, 2006 through October 31, 2006

CAPACITY AND INITIAL CAPACITY RELEASE

Transportation Agreement:

AGT Capacity:

Capacity Release Term:

Capacity Release:

Baseload Gas Supply:

Baseload Gas Supply Term:

Baseload Gas Supply Delivery Point:

Baseload Gas Supply Price:

T/

Take or Release:

Take or Release Notification:

Take or Release Limitations:

CONDITIONS PRECEDENT

NAESB and Credit Agreements:

NEA and BSG must execute a Base Contract for Sale and Purchase of Natural Gas (a NAESB Agreement) and applicable credit support.

MISCELLANEOUS

Audit Rights:

NEA shall have the right at reasonable business hours on no less than three (3) Business Days' notice, to examine the books and records of BSG to the extent necessary to verify the accuracy of the operational reasons for which BSG seeks to exercise its Take or Release rights hereunder.

Transaction Extension:

BSG agrees to use commercially reasonable efforts to seek Massachusetts Department of Telecommunications and Energy approval to enter into a long term gas sales and capacity release agreement with NEA to extend the AGT Capacity release transaction through November 30, 2016 and the gas supply purchase transaction through November 1, 2011.

Assignment to an Affiliate:

NEA may, without the consent of BSG, assign this Confirmation to one of its member's affiliates, FPL Energy Power Marketing Inc. ("PMI"), provided that the FPL Group Capital Inc guarantee provided in support of NEA's obligations continues in full force and effect in support of PMI's obligations to BSG or, subject to BSG's approval, is replaced by a substantially similar FPL Group Capital Inc guarantee on behalf of PMI. In the event of such an assignment, NEA shall be released from all obligations under this Confirmation.

Commercially Reasonable Efforts:

With respect to a Party, those commercially reasonable efforts by that Party equivalent to the efforts that Party would make in similar circumstances with respect to similar operations entirely for its own account at that time, provided that such efforts are those as would be reasonably made by a prudent business person acting in good faith and in the exercise of reasonable commercial judgment exerting such effort and employing such resources as would normally be taken, exerted or employed by such person for a similar product, taking into account the competitiveness of the relevant marketplace, the proprietary positions of third parties, the regulatory structure involved, and the profitability of the product.

Credit Support:


Contract Execution:

IN WITNESS THEREOF, the Parties have caused this Confirmation to be signed by their duly authorized representatives as of the Effective Date.

NORTHEAST ENERGY ASSOCIATES, A LIMITED PARTNERSHIP

BY GENERAL PARTNER, NORTHEAST ENERGY, LP

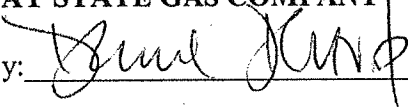
By: **ESI Northeast Energy GP, Inc.**
General Partner

By:  mwm

Name: F. Mitchell Davidson
Vice President

Title: _____

BAY STATE GAS COMPANY

By:  FBj

Name: Daniel D. Gavito
V.P. Energy Supply Services

Title: _____

Exhibit A

Form of Guaranty

This Guaranty (this "Guaranty"), dated effective as of October __, 2005 (the "Effective Date"), is made and entered into by FPL Group Capital Inc, a Florida corporation ("Guarantor").

WITNESSETH:

WHEREAS, Bay State Gas Company, a Massachusetts corporation ("Counterparty") and Northeast Energy Associates, A Limited Partnership, a limited liability company organized under the laws of the State of Delaware ("NEA"), have entered into: (i) a Confirmation of Short-Term Natural Gas Transaction (the "STC"); and, (ii) a confirmation of Long-Term Natural Gas Transaction (the "LTC") both pursuant to the Base Contract for Sale and Purchase of Natural Gas dated October 13, 2005 between the Parties ("Base Contract")(such Base Contract, the STC and LTC jointly the "Confirmations"), related to the sale of certain natural gas and the release of certain firm transportation, all as more specifically described in the Confirmations; and

WHEREAS, Guarantor will directly or indirectly benefit from NEA and Counterparty entering into the Agreement;

NOW THEREFORE, in consideration of Counterparty entering into the Agreement, Guarantor hereby covenants and agrees as follows:

1. GUARANTY. Subject to the provisions hereof, Guarantor hereby irrevocably and unconditionally guarantees the timely payment when due of the obligations of NEA (the "Obligations") to Counterparty under the Confirmations. This Guaranty shall constitute a continuing guarantee of payment and not of collection. The liability of Guarantor under this Guaranty shall be subject to the following limitations:

5. AMENDMENT OF GUARANTY. No term or provision of this Guaranty shall be amended, modified, altered, waived or supplemented except in a writing signed by Guarantor and Counterparty.

September 30, 2010.

7. NOTICE. Any Payment Demand, notice, request, instruction, correspondence or other document to be given hereunder by any party to another (herein collectively called "Notice") shall be in writing and delivered personally or mailed by certified mail, postage prepaid and return receipt requested, or by telegram or telecopier, as follows:

To
Counter
party:

To
Guaran
tor:

FPL Group Capital Inc

700 Universe Blvd.
Juno Beach, Florida 33408
Attn: Treasurer
Fax No.: (561) 694-6299

Copies of Notices sent to Guarantor shall also be sent via facsimile to ATTN: Contracts Group, Legal, Fax No. (561) 625-7504 and ATTN: Credit Department, Fax No. (561) 625-7642.

Notice given by personal delivery or mail shall be effective upon actual receipt. Notice given by telegram or telecopier shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours. All Notices by telegram or telecopier shall be confirmed promptly after transmission in writing by certified mail or personal delivery. Any party may change any address to which Notice is to be given to it by giving notice as provided above of such change of address.

8. MISCELLANEOUS. This Guaranty shall in all respects be governed by, and construed in accordance with, the law of the State of New York, without regard to principles of conflicts of laws. This Guaranty shall be binding upon Guarantor and its permitted successors and assigns and inure to the benefit of and be enforceable by Counterparty and its permitted successors and assigns. The Guarantor may not assign this Guaranty in part or in whole without the prior written consent of the Counterparty. The Counterparty may not assign its rights or benefits under this Guaranty in part or in whole except (i) with the prior written consent of the Guarantor, or (ii) pursuant to a permitted assignment of Confirmations ("Assigned Confirmations"), in which case the assignee will succeed to the rights of Counterparty hereunder only with respect to such Assigned Confirmations. The Guarantor's liability hereunder with respect to any and all such Assigned Confirmations, together with any other liability of the Guarantor hereunder, will in all cases be subject to the Guarantor's maximum aggregate liability set forth in Section 1(a) herein. Neither the Guarantor nor the Counterparty will unreasonably withhold or delay consent to assignment.

This Guaranty embodies the entire agreement and understanding between Guarantor and Counterparty and supersedes all prior agreements and understandings relating to the subject matter hereof. The headings in this Guaranty are for purposes of reference only, and shall not affect the meaning hereof.

Time is of the essence of this Guaranty. The remedies provided to Counterparty in this Guaranty are cumulative and not exclusive of any other remedies provided by law.

Words importing the singular number hereunder shall include the plural number and vice versa and any pronouns used herein shall be deemed to cover all genders. The term "person" as used herein means any individual, corporation, partnership, joint venture, association, joint-stock

company, trust, unincorporated association, or government (or any agency or political subdivision thereof).

Wherever possible, any provision in this Guaranty which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any one jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty as of the Effective Date.

FPL GROUP CAPITAL INC

By: _____

Name: _____

Title: _____

Base Contract for Sale and Purchase of Natural Gas

This Base Contract is entered into as of the following date: October 13, 2005. The parties to this Base Contract are the following:

Bay State Gas Company ("NiSource LDC")

300 Friberg Parkway, Westborough, MA 01581-5039
Duns Number: 069-340-214
Contract Number: _____
U.S. Federal Tax ID Number: 04-3442797

Notices:

1500 165th Street - GOC, Hammond, IN 46324
Attn: Manager, Scheduling and Accounting
Phone: (219) 853-4320 Fax: (219) 853-4330

Confirmations:

1500 165th Street - GOC, Hammond, IN 46324
Attn: Manager, Scheduling and Accounting
Phone: (219) 853-4320 Fax: (219) 853-4330

Invoices and Payments:

1500 165th Street - GOC, Hammond, IN 46324
Attn: Manager, Scheduling and Accounting
Phone: (219) 853-4320 Fax: (219) 853-4330

Wire Transfer or ACH Numbers (if applicable):

BANK: Fleet Bank - Boston, MA
ABA: 011 000 138
ACCT: 234 300 00
Other Details: Bay State Gas Company

and **Northeast Energy Associates, A Limited Partnership**

700 Universe Blvd, Juno Beach, FL 33418
Duns Number: _____
Contract Number: _____
U.S. Federal Tax ID Number: 65-0811248

700 Universe Blvd, Juno Beach, FL 33418
Attn: Lee Fascetti
Phone: 561-625-7082 Fax: 561-625-7517

700 Universe Blvd, Juno Beach, FL 33418
Attn: Risk Management Department
Phone: 561-304-5712 Fax: 561-625-7517

700 Universe Blvd, Juno Beach, FL 33418
Attn: Accounting
Phone: 561-304-5824 Fax: 561-625-7663

BANK: US Bank Trust, NA
ABA: #09000022
ACCT: 173103321092
Other Details: _____

This Base Contract incorporates by reference for all purposes the General Terms and Conditions for Sale and Purchase of Natural Gas published by the North American Energy Standards Board. The parties hereby agree to the following provisions offered in said General Terms and Conditions. In the event the parties fail to check a box, the specified default provision shall apply. **Select only one box from each section:**

Section 1.2 Transaction Procedure <input checked="" type="checkbox"/> Oral (default) <input type="checkbox"/> Written	Section 7.2 Payment Date <input checked="" type="checkbox"/> 25 th Day of Month following Month of delivery (default) <input type="checkbox"/> _____ Day of Month following Month of delivery
Section 2.5 Confirm Deadline <input checked="" type="checkbox"/> 2 Business Days after receipt (default) <input type="checkbox"/> _____ Business Days after receipt	Section 7.2 Method of Payment <input type="checkbox"/> Wire transfer (default) <input checked="" type="checkbox"/> Automated Clearinghouse Credit (ACH) <input type="checkbox"/> Check
Section 2.6 Confirming Party <input type="checkbox"/> Seller (default) <input type="checkbox"/> Buyer <input checked="" type="checkbox"/> NiSource LDC	Section 7.7 Netting <input checked="" type="checkbox"/> Netting applies (default) <input type="checkbox"/> Netting does not apply
Section 3.2 Performance Obligation <input checked="" type="checkbox"/> Cover Standard (default) <input type="checkbox"/> Spot Price Standard Note: The following Spot Price Publication applies to both of the immediately preceding. Section 2.26 Spot Price Publication <input checked="" type="checkbox"/> Gas Daily Midpoint (default) <input type="checkbox"/> _____	Section 10.3.1 Early Termination Damages <input checked="" type="checkbox"/> Early Termination Damages Apply (default) <input type="checkbox"/> Early Termination Damages Do Not Apply Section 10.3.2 Other Agreement Setoffs <input checked="" type="checkbox"/> Other Agreement Setoffs Apply (default) <input type="checkbox"/> Other Agreement Setoffs Do Not Apply Section 14.5 Choice Of Law Massachusetts
Section 6 Taxes <input checked="" type="checkbox"/> Buyer Pays At and After Delivery Point (default) <input type="checkbox"/> Seller Pays Before and At Delivery Point	Section 14.10 Confidentiality <input checked="" type="checkbox"/> Confidentiality applies (default) <input type="checkbox"/> Confidentiality does not apply
<input checked="" type="checkbox"/> Special Provisions Number of sheets attached: three <input type="checkbox"/> Addendum(s): _____	

IN WITNESS WHEREOF, the parties hereto have executed this Base Contract in duplicate.

BAY STATE GAS COMPANY

By

Name: Daniel D. Gavito

Title: Vice President, Energy Supply Services

NORTHEAST ENERGY ASSOCIATES, A LIMITED PARTNERSHIP By Its General Partner, Northeast Energy, LP By ESI Northeast Energy GP, Inc., General Partner

By

Name: F. Mitchell Davidson

Title: Vice President

mwm

General Terms and Conditions Base Contract for Sale and Purchase of Natural Gas

SECTION 1. PURPOSE AND PROCEDURES

1.1. These General Terms and Conditions are intended to facilitate purchase and sale transactions of Gas on a Firm or Interruptible basis. "Buyer" refers to the party receiving Gas and "Seller" refers to the party delivering Gas. The entire agreement between the parties shall be the Contract as defined in Section 2.7.

The parties have selected either the "Oral Transaction Procedure" or the "Written Transaction Procedure" as indicated on the Base Contract.

Oral Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Any Gas purchase and sale transaction may be effectuated in an EDI transmission or telephone conversation with the offer and acceptance constituting the agreement of the parties. The parties shall be legally bound from the time they so agree to transaction terms and may each rely thereon. Any such transaction shall be considered a "writing" and to have been "signed". Notwithstanding the foregoing sentence, the parties agree that Confirming Party shall, and the other party may, confirm a telephonic transaction by sending the other party a Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means within three Business Days of a transaction covered by this Section 1.2 (Oral Transaction Procedure) provided that the failure to send a Transaction Confirmation shall not invalidate the oral agreement of the parties. Confirming Party adopts its confirming letterhead, or the like, as its signature on any Transaction Confirmation as the identification and authentication of Confirming Party. If the Transaction Confirmation contains any provisions other than those relating to the commercial terms of the transaction (i.e., price, quantity, performance obligation, delivery point, period of delivery and/or transportation conditions), which modify or supplement the Base Contract or General Terms and Conditions of this Contract (e.g., arbitration or additional representations and warranties), such provisions shall not be deemed to be accepted pursuant to Section 1.3 but must be expressly agreed to by both parties; provided that the foregoing shall not invalidate any transaction agreed to by the parties.

Written Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Should the parties come to an agreement regarding a Gas purchase and sale transaction for a particular Delivery Period, the Confirming Party shall, and the other party may, record that agreement on a Transaction Confirmation and communicate such Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means, to the other party by the close of the Business Day following the date of agreement. The parties acknowledge that their agreement will not be binding until the exchange of nonconflicting Transaction Confirmations or the passage of the Confirm Deadline without objection from the receiving party, as provided in Section 1.3.

1.3. If a sending party's Transaction Confirmation is materially different from the receiving party's understanding of the agreement referred to in Section 1.2, such receiving party shall notify the sending party via facsimile, EDI or mutually agreeable electronic means by the Confirm Deadline, unless such receiving party has previously sent a Transaction Confirmation to the sending party. The failure of the receiving party to so notify the sending party in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's Transaction Confirmation. If there are any material differences between timely sent Transaction Confirmations governing the same transaction, then neither Transaction Confirmation shall be binding until or unless such differences are resolved including the use of any evidence that clearly resolves the differences in the Transaction Confirmations. In the event of a conflict among the terms of (i) a binding Transaction Confirmation pursuant to Section 1.2, (ii) the oral agreement of the parties which may be evidenced by a recorded conversation, where the parties have selected the Oral Transaction Procedure of the Base Contract, (iii) the Base Contract, and (iv) these General Terms and Conditions, the terms of the documents shall govern in the priority listed in this sentence.

1.4. The parties agree that each party may electronically record all telephone conversations with respect to this Contract between their respective employees, without any special or further notice to the other party. Each party shall obtain any necessary consent of its agents and employees to such recording. Where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, the parties agree not to contest the validity or enforceability of telephonic recordings entered into in accordance with the requirements of this Base Contract. However, nothing herein shall be construed as a waiver of any objection to the admissibility of such evidence.

SECTION 2. DEFINITIONS

The terms set forth below shall have the meaning ascribed to them below. Other terms are also defined elsewhere in the Contract and shall have the meanings ascribed to them herein.

2.1. "Alternative Damages" shall mean such damages, expressed in dollars or dollars per MMBtu, as the parties shall agree upon in the Transaction Confirmation, in the event either Seller or Buyer fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer.

2.2. "Base Contract" shall mean a contract executed by the parties that incorporates these General Terms and Conditions by reference; that specifies the agreed selections of provisions contained herein; and that sets forth other information required herein and any Special Provisions and addendum(s) as identified on page one.

2.3. "British thermal unit" or "Btu" shall mean the International BTU, which is also called the Btu (IT).

NAESB Standard 6.3.1
April 19, 2002

- 2.4. "Business Day" shall mean any day except Saturday, Sunday or Federal Reserve Bank holidays.
- 2.5. "Confirm Deadline" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a Transaction Confirmation is received or, if applicable, on the Business Day agreed to by the parties in the Base Contract; provided, if the Transaction Confirmation is time stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.
- 2.6. "Confirming Party" shall mean the party designated in the Base Contract to prepare and forward Transaction Confirmations to the other party.
- 2.7. "Contract" shall mean the legally-binding relationship established by (i) the Base Contract, (ii) any and all binding Transaction Confirmations and (iii) where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, any and all transactions that the parties have entered into through an EDI transmission or by telephone, but that have not been confirmed in a binding Transaction Confirmation.
- 2.8. "Contract Price" shall mean the amount expressed in U.S. Dollars per MMBtu to be paid by Buyer to Seller for the purchase of Gas as agreed to by the parties in a transaction.
- 2.9. "Contract Quantity" shall mean the quantity of Gas to be delivered and taken as agreed to by the parties in a transaction.
- 2.10. "Cover Standard", as referred to in Section 3.2, shall mean that if there is an unexcused failure to take or deliver any quantity of Gas pursuant to this Contract, then the performing party shall use commercially reasonable efforts to (i) if Buyer is the performing party, obtain Gas, (or an alternate fuel if elected by Buyer and replacement Gas is not available), or (ii) if Seller is the performing party, sell Gas, in either case, at a price reasonable for the delivery or production area, as applicable, consistent with: the amount of notice provided by the nonperforming party; the immediacy of the Buyer's Gas consumption needs or Seller's Gas sales requirements, as applicable; the quantities involved; and the anticipated length of failure by the nonperforming party.
- 2.11. "Credit Support Obligation(s)" shall mean any obligation(s) to provide or establish credit support for, or on behalf of, a party to this Contract such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature.
- 2.12. "Day" shall mean a period of 24 consecutive hours, coextensive with a "day" as defined by the Receiving Transporter in a particular transaction.
- 2.13. "Delivery Period" shall be the period during which deliveries are to be made as agreed to by the parties in a transaction.
- 2.14. "Delivery Point(s)" shall mean such point(s) as are agreed to by the parties in a transaction.
- 2.15. "EDI" shall mean an electronic data interchange pursuant to an agreement entered into by the parties, specifically relating to the communication of Transaction Confirmations under this Contract.
- 2.16. "EFP" shall mean the purchase, sale or exchange of natural Gas as the "physical" side of an exchange for physical transaction involving gas futures contracts. EFP shall incorporate the meaning and remedies of "Firm", provided that a party's excuse for nonperformance of its obligations to deliver or receive Gas will be governed by the rules of the relevant futures exchange regulated under the Commodity Exchange Act.
- 2.17. "Firm" shall mean that either party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure; provided, however, that during Force Majeure interruptions, the party invoking Force Majeure may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by the Transporter.
- 2.18. "Gas" shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane.
- 2.19. "Imbalance Charges" shall mean any fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter's balance and/or nomination requirements.
- 2.20. "Interruptible" shall mean that either party may interrupt its performance at any time for any reason, whether or not caused by an event of Force Majeure, with no liability, except such interrupting party may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by Transporter.
- 2.21. "MMBtu" shall mean one million British thermal units, which is equivalent to one dekatherm.
- 2.22. "Month" shall mean the period beginning on the first Day of the calendar month and ending immediately prior to the commencement of the first Day of the next calendar month.
- 2.23. "Payment Date" shall mean a date, as indicated on the Base Contract, on or before which payment is due Seller for Gas received by Buyer in the previous Month.
- 2.24. "Receiving Transporter" shall mean the Transporter receiving Gas at a Delivery Point, or absent such receiving Transporter, the Transporter delivering Gas at a Delivery Point.
- 2.25. "Scheduled Gas" shall mean the quantity of Gas confirmed by Transporter(s) for movement, transportation or management.
- 2.26. "Spot Price" as referred to in Section 3.2 shall mean the price listed in the publication indicated on the Base Contract, under the listing applicable to the geographic location closest in proximity to the Delivery Point(s) for the relevant Day; provided, if there is no single price published for such location for such Day, but there is published a range of prices, then the Spot Price shall be the average

of such high and low prices. If no price or range of prices is published for such Day, then the Spot Price shall be the average of the following: (i) the price (determined as stated above) for the first Day for which a price or range of prices is published that next precedes the relevant Day; and (ii) the price (determined as stated above) for the first Day for which a price or range of prices is published that next follows the relevant Day.

2.27. "Transaction Confirmation" shall mean a document, similar to the form of Exhibit A, setting forth the terms of a transaction formed pursuant to Section 1 for a particular Delivery Period.

2.28. "Termination Option" shall mean the option of either party to terminate a transaction in the event that the other party fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer for a designated number of days during a period as specified on the applicable Transaction Confirmation.

2.29. "Transporter(s)" shall mean all Gas gathering or pipeline companies, or local distribution companies, acting in the capacity of a transporter, transporting Gas for Seller or Buyer upstream or downstream, respectively, of the Delivery Point pursuant to a particular transaction.

SECTION 3. PERFORMANCE OBLIGATION

3.1. Seller agrees to sell and deliver, and Buyer agrees to receive and purchase, the Contract Quantity for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm or Interruptible basis, as agreed to by the parties in a transaction.

The parties have selected either the "Cover Standard" or the "Spot Price Standard" as indicated on the Base Contract.

Cover Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the positive difference, if any, between the purchase price paid by Buyer utilizing the Cover Standard and the Contract Price, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller for such Day(s); or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in the amount equal to the positive difference, if any, between the Contract Price and the price received by Seller utilizing the Cover Standard for the resale of such Gas, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually taken by Buyer for such Day(s); or (iii) in the event that Buyer has used commercially reasonable efforts to replace the Gas or Seller has used commercially reasonable efforts to sell the Gas to a third party, and no such replacement or sale is available, then the sole and exclusive remedy of the performing party shall be any unfavorable difference between the Contract Price and the Spot Price, adjusted for such transportation to the applicable Delivery Point, multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller and received by Buyer for such Day(s). Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which amount was calculated.

Spot Price Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the Contract Price from the Spot Price; or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the applicable Spot Price from the Contract Price. Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

3.3. Notwithstanding Section 3.2, the parties may agree to Alternative Damages in a Transaction Confirmation executed in writing by both parties.

3.4. In addition to Sections 3.2 and 3.3, the parties may provide for a Termination Option in a Transaction Confirmation executed in writing by both parties. The Transaction Confirmation containing the Termination Option will designate the length of nonperformance triggering the Termination Option and the procedures for exercise thereof, how damages for nonperformance will be compensated, and how liquidation costs will be calculated.

SECTION 4. TRANSPORTATION, NOMINATIONS, AND IMBALANCES

4.1. Seller shall have the sole responsibility for transporting the Gas to the Delivery Point(s). Buyer shall have the sole responsibility for transporting the Gas from the Delivery Point(s).

4.2. The parties shall coordinate their nomination activities, giving sufficient time to meet the deadlines of the affected Transporter(s). Each party shall give the other party timely prior Notice, sufficient to meet the requirements of all Transporter(s) involved in the transaction, of the quantities of Gas to be delivered and purchased each Day. Should either party become aware that actual deliveries at the Delivery Point(s) are greater or lesser than the Scheduled Gas, such party shall promptly notify the other party.

4.3. The parties shall use commercially reasonable efforts to avoid imposition of any Imbalance Charges. If Buyer or Seller receives an invoice from a Transporter that includes Imbalance Charges, the parties shall determine the validity as well as the cause of such Imbalance Charges. If the Imbalance Charges were incurred as a result of Buyer's receipt of quantities of Gas greater than or less than the Scheduled Gas, then Buyer shall pay for such Imbalance Charges or reimburse Seller for such Imbalance Charges paid by Seller. If the Imbalance Charges were incurred as a result of Seller's delivery of quantities of Gas greater than or less than the Scheduled Gas, then Seller shall pay for such Imbalance Charges or reimburse Buyer for such Imbalance Charges paid by Buyer.

SECTION 5. QUALITY AND MEASUREMENT

All Gas delivered by Seller shall meet the pressure, quality and heat content requirements of the Receiving Transporter. The unit of quantity measurement for purposes of this Contract shall be one MMBtu dry. Measurement of Gas quantities hereunder shall be in accordance with the established procedures of the Receiving Transporter.

SECTION 6. TAXES

The parties have selected either "Buyer Pays At and After Delivery Point" or "Seller Pays Before and At Delivery Point" as indicated on the Base Contract.

Buyer Pays At and After Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas at the Delivery Point(s) and all Taxes after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

Seller Pays Before and At Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s) and all Taxes at the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

SECTION 7. BILLING, PAYMENT, AND AUDIT

7.1. Seller shall invoice Buyer for Gas delivered and received in the preceding Month and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged. If the actual quantity delivered is not known by the billing date, billing will be prepared based on the quantity of Scheduled Gas. The invoiced quantity will then be adjusted to the actual quantity on the following Month's billing or as soon thereafter as actual delivery information is available.

7.2. Buyer shall remit the amount due under Section 7.1 in the manner specified in the Base Contract, in immediately available funds, on or before the later of the Payment Date or 10 Days after receipt of the invoice by Buyer; provided that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date. In the event any payments are due Buyer hereunder, payment to Buyer shall be made in accordance with this Section 7.2.

7.3. In the event payments become due pursuant to Sections 3.2 or 3.3, the performing party may submit an invoice to the nonperforming party for an accelerated payment setting forth the basis upon which the invoiced amount was calculated. Payment from the nonperforming party will be due five Business Days after receipt of invoice.

7.4. If the invoiced party, in good faith, disputes the amount of any such invoice or any part thereof, such invoiced party will pay such amount as it concedes to be correct; provided, however, if the invoiced party disputes the amount due, it must provide supporting documentation acceptable in industry practice to support the amount paid or disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section.

7.5. If the invoiced party fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

7.6. A party shall have the right, at its own expense, upon reasonable Notice and at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Contract. This right to examine, audit, and to obtain copies shall not be available with respect to proprietary information not directly relevant to transactions under this Contract. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under- or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two years after the Month of Gas delivery. All retroactive adjustments under Section 7 shall be paid in full by the party owing payment within 30 Days of Notice and substantiation of such inaccuracy.

7.7. Unless the parties have elected on the Base Contract not to make this Section 7.7 applicable to this Contract, the parties shall net all undisputed amounts due and owing, and/or past due, arising under the Contract such that the party owing the greater amount shall make a single payment of the net amount to the other party in accordance with Section 7; provided that no payment required to be made pursuant to the terms of any Credit Support Obligation or pursuant to Section 7.3 shall be subject to netting under this Section. If the parties have executed a separate netting agreement, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 8. TITLE, WARRANTY, AND INDEMNITY

8.1. Unless otherwise specifically agreed, title to the Gas shall pass from Seller to Buyer at the Delivery Point(s). Seller shall have responsibility for and assume any liability with respect to the Gas prior to its delivery to Buyer at the specified Delivery Point(s). Buyer shall have responsibility for and any liability with respect to said Gas after its delivery to Buyer at the Delivery Point(s).

8.2. Seller warrants that it will have the right to convey and will transfer good and merchantable title to all Gas sold hereunder and delivered by it to Buyer, free and clear of all liens, encumbrances, and claims. EXCEPT AS PROVIDED IN THIS SECTION 8.2 AND IN SECTION 14.8, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE, ARE DISCLAIMED.

8.3. Seller agrees to indemnify Buyer and save it harmless from all losses, liabilities or claims including reasonable attorneys' fees and costs of court ("Claims"), from any and all persons, arising from or out of claims of title, personal injury or property damage from said Gas or other charges thereon which attach before title passes to Buyer. Buyer agrees to indemnify Seller and save it harmless from all Claims, from any and all persons, arising from or out of claims regarding payment, personal injury or property damage from said Gas or other charges thereon which attach after title passes to Buyer.

8.4. Notwithstanding the other provisions of this Section 8, as between Seller and Buyer, Seller will be liable for all Claims to the extent that such arise from the failure of Gas delivered by Seller to meet the quality requirements of Section 5.

SECTION 9. NOTICES

9.1. All Transaction Confirmations, invoices, payments and other communications made pursuant to the Base Contract ("Notices") shall be made to the addresses specified in writing by the respective parties from time to time.

9.2. All Notices required hereunder may be sent by facsimile or mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivered.

9.3. Notice shall be given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a Business Day or is after five p.m. on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day. Notice by overnight mail or courier shall be deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered five Business Days after mailing.

SECTION 10. FINANCIAL RESPONSIBILITY

10.1. If either party ("X") has reasonable grounds for insecurity regarding the performance of any obligation under this Contract (whether or not then due) by the other party ("Y") (including, without limitation, the occurrence of a material change in the creditworthiness of Y), X may demand Adequate Assurance of Performance. "Adequate Assurance of Performance" shall mean sufficient security in the form, amount and for the term reasonably acceptable to X, including, but not limited to, a standby irrevocable letter of credit, a prepayment, a security interest in an asset or a performance bond or guaranty (including the issuer of any such security).

10.2. In the event (each an "Event of Default") either party (the "Defaulting Party") or its guarantor shall: (i) make an assignment or any general arrangement for the benefit of creditors; (ii) file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; (iii) otherwise become bankrupt or insolvent (however evidenced); (iv) be unable to pay its debts as they fall due; (v) have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; (vi) fail to perform any obligation to the other party with respect to any Credit Support Obligations relating to the Contract; (vii) fail to give Adequate Assurance of Performance under Section 10.1 within 48 hours but at least one Business Day of a written request by the other party; or (viii) not have paid any amount due the other party hereunder on or before the second Business Day following written Notice that such payment is due; then the other party (the "Non-Defaulting Party") shall have the right, at its sole election, to immediately withhold and/or suspend deliveries or payments upon Notice and/or to terminate and liquidate the transactions under the Contract, in the manner provided in Section 10.3, in addition to any and all other remedies available hereunder.

10.3. If an Event of Default has occurred and is continuing, the Non-Defaulting Party shall have the right, by Notice to the Defaulting Party, to designate a Day, no earlier than the Day such Notice is given and no later than 20 Days after such Notice is given, as an early termination date (the "Early Termination Date") for the liquidation and termination pursuant to Section 10.3.1 of all transactions under the Contract, each a "Terminated Transaction". On the Early Termination Date, all transactions will terminate, other than those transactions, if any, that may not be liquidated and terminated under applicable law or that are, in the reasonable opinion of the Non-Defaulting Party, commercially impracticable to liquidate and terminate ("Excluded Transactions"), which Excluded Transactions must be liquidated and terminated as soon thereafter as is reasonably practicable, and upon termination shall be a Terminated Transaction and be valued consistent with Section 10.3.1 below. With respect to each Excluded Transaction, its actual termination date shall be the Early Termination Date for purposes of Section 10.3.1.

The parties have selected either "Early Termination Damages Apply" or "Early Termination Damages Do Not Apply" as indicated on the Base Contract.

Early Termination Damages Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, (i) the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract and (ii) the Market Value, as defined below, of each Terminated Transaction. The Non-Defaulting Party shall (x) liquidate and accelerate each Terminated Transaction at its Market Value, so that each amount equal to the difference between such Market Value and the Contract Value, as defined below, of such Terminated Transaction(s) shall be due to the Buyer under the Terminated Transaction(s) if such Market Value exceeds the Contract Value and to the Seller if the opposite is the case; and (y) where appropriate, discount each amount then due under clause (x) above to present value in a commercially reasonable manner as of the Early Termination Date (to take account of the period between the date of liquidation and the date on which such amount would have otherwise been due pursuant to the relevant Terminated Transactions).

For purposes of this Section 10.3.1, "Contract Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the Contract Price, and "Market Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the market price for a similar transaction at the Delivery Point determined by the Non-Defaulting Party in a commercially reasonable manner. To ascertain the Market Value, the Non-Defaulting Party may consider, among other valuations, any or all of the settlement prices of NYMEX Gas futures contracts, quotations from leading dealers in energy swap contracts or physical gas trading markets, similar sales or purchases and any other bona fide third-party offers, all adjusted for the length of the term and differences in transportation costs. A party shall not be required to enter into a replacement transaction(s) in order to determine the Market Value. Any extension(s) of the term of a transaction to which parties are not bound as of the Early Termination Date (including but not limited to "evergreen provisions") shall not be considered in determining Contract Values and Market Values. For the avoidance of doubt, any option pursuant to which one party has the right to extend the term of a transaction shall be considered in determining Contract Values and Market Values. The rate of interest used in calculating net present value shall be determined by the Non-Defaulting Party in a commercially reasonable manner.

Early Termination Damages Do Not Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract.

The parties have selected either "Other Agreement Setoffs Apply" or "Other Agreement Setoffs Do Not Apply" as indicated on the Base Contract.

Other Agreement Setoffs Apply:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party may setoff (i) any Net Settlement Amount owed to the Non-Defaulting Party against any margin or other collateral held by it in connection with any Credit Support Obligation relating to the Contract; or (ii) any Net Settlement Amount payable to the Defaulting Party against any amount(s) payable by the Defaulting Party to the Non-Defaulting Party under any other agreement or arrangement between the parties.

Other Agreement Setoffs Do Not Apply:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party may setoff any Net Settlement Amount owed to the Non-Defaulting Party against any margin or other collateral held by it in connection with any Credit Support Obligation relating to the Contract.

10.3.3. If any obligation that is to be included in any netting, aggregation or setoff pursuant to Section 10.3.2 is unascertained, the Non-Defaulting Party may in good faith estimate that obligation and net, aggregate or setoff, as applicable, in respect of the estimate, subject to the Non-Defaulting Party accounting to the Defaulting Party when the obligation is ascertained. Any amount not then due which is included in any netting, aggregation or setoff pursuant to Section 10.3.2 shall be discounted to net present value in a commercially reasonable manner determined by the Non-Defaulting Party.

10.4. As soon as practicable after a liquidation, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the Net Settlement Amount, and whether the Net Settlement Amount is due to or due from the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount, provided that failure to give such Notice shall not affect the validity or enforceability of the liquidation or give rise to any claim by the Defaulting Party against the Non-Defaulting Party. The Net Settlement Amount shall be paid by the close of business on the second Business Day following such Notice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the Net Settlement Amount shall accrue from the date due until the

date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

10.5. The parties agree that the transactions hereunder constitute a "forward contract" within the meaning of the United States Bankruptcy Code and that Buyer and Seller are each "forward contract merchants" within the meaning of the United States Bankruptcy Code.

10.6. The Non-Defaulting Party's remedies under this Section 10 are the sole and exclusive remedies of the Non-Defaulting Party with respect to the occurrence of any Early Termination Date. Each party reserves to itself all other rights, setoffs, counterclaims and other defenses that it is or may be entitled to arising from the Contract.

10.7. With respect to this Section 10, if the parties have executed a separate netting agreement with close-out netting provisions, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 11. FORCE MAJEURE

11.1. Except with regard to a party's obligation to make payment(s) due under Section 7, Section 10.4, and Imbalance Charges under Section 4, neither party shall be liable to the other for failure to perform a Firm obligation, to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 11.2.

11.2. Force Majeure shall include, but not be limited to, the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption and/or curtailment of Firm transportation and/or storage by Transporters; (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections or wars; and (v) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, regulation, or policy having the effect of law promulgated by a governmental authority having jurisdiction. Seller and Buyer shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance.

11.3. Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary Firm transportation unless primary, in-path, Firm transportation is also curtailed; (ii) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship, to include, without limitation, Seller's ability to sell Gas at a higher or more advantageous price than the Contract Price, Buyer's ability to purchase Gas at a lower or more advantageous price than the Contract Price, or a regulatory agency disallowing, in whole or in part, the pass through of costs resulting from this Agreement; (iv) the loss of Buyer's market(s) or Buyer's inability to use or resell Gas purchased hereunder, except, in either case, as provided in Section 11.2; or (v) the loss or failure of Seller's gas supply or depletion of reserves, except, in either case, as provided in Section 11.2. The party claiming Force Majeure shall not be excused from its responsibility for Imbalance Charges.

11.4. Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be within the sole discretion of the party experiencing such disturbance.

11.5. The party whose performance is prevented by Force Majeure must provide Notice to the other party. Initial Notice may be given orally; however, written Notice with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written Notice of Force Majeure to the other party, the affected party will be relieved of its obligation, from the onset of the Force Majeure event, to make or accept delivery of Gas, as applicable, to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or event.

11.6. Notwithstanding Sections 11.2 and 11.3, the parties may agree to alternative Force Majeure provisions in a Transaction Confirmation executed in writing by both parties.

SECTION 12. TERM

This Contract may be terminated on 30 Day's written Notice, but shall remain in effect until the expiration of the latest Delivery Period of any transaction(s). The rights of either party pursuant to Section 7.6 and Section 10, the obligations to make payment hereunder, and the obligation of either party to indemnify the other, pursuant hereto shall survive the termination of the Base Contract or any transaction.

SECTION 13. LIMITATIONS

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

SECTION 14. MISCELLANEOUS

14.1. This Contract shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties hereto, and the covenants, conditions, rights and obligations of this Contract shall run for the full term of this Contract. No assignment of this Contract, in whole or in part, will be made without the prior written consent of the non-assigning party (and shall not relieve the assigning party from liability hereunder), which consent will not be unreasonably withheld or delayed; provided, either party may (i) transfer, sell, pledge, encumber, or assign this Contract or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements, or (ii) transfer its interest to any parent or affiliate by assignment, merger or otherwise without the prior approval of the other party. Upon any such assignment, transfer and assumption, the transferor shall remain principally liable for and shall not be relieved of or discharged from any obligations hereunder.

14.2. If any provision in this Contract is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Contract.

14.3. No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach.

14.4. This Contract sets forth all understandings between the parties respecting each transaction subject hereto, and any prior contracts, understandings and representations, whether oral or written, relating to such transactions are merged into and superseded by this Contract and any effective transaction(s). This Contract may be amended only by a writing executed by both parties.

14.5. The interpretation and performance of this Contract shall be governed by the laws of the jurisdiction as indicated on the Base Contract, excluding, however, any conflict of laws rule which would apply the law of another jurisdiction.

14.6. This Contract and all provisions herein will be subject to all applicable and valid statutes, rules, orders and regulations of any governmental authority having jurisdiction over the parties, their facilities, or Gas supply, this Contract or transaction or any provisions thereof.

14.7. There is no third party beneficiary to this Contract.

14.8. Each party to this Contract represents and warrants that it has full and complete authority to enter into and perform this Contract. Each person who executes this Contract on behalf of either party represents and warrants that it has full and complete authority to do so and that such party will be bound thereby.

14.9. The headings and subheadings contained in this Contract are used solely for convenience and do not constitute a part of this Contract between the parties and shall not be used to construe or interpret the provisions of this Contract.

14.10. Unless the parties have elected on the Base Contract not to make this Section 14.10 applicable to this Contract, neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of any transaction to a third party (other than the employees, lenders, royalty owners, counsel, accountants and other agents of the party, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Contract, provided such persons shall have agreed to keep such terms confidential) except (i) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Contract, (iii) to the extent necessary to implement any transaction, or (iv) to the extent such information is delivered to such third party for the sole purpose of calculating a published index. Each party shall notify the other party of any proceeding of which it is aware which may result in disclosure of the terms of any transaction (other than as permitted hereunder) and use reasonable efforts to prevent or limit the disclosure. The existence of this Contract is not subject to this confidentiality obligation. Subject to Section 13, the parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

In the event that disclosure is required by a governmental body or applicable law, the party subject to such requirement may disclose the material terms of this Contract to the extent so required, but shall promptly notify the other party, prior to disclosure, and shall cooperate (consistent with the disclosing party's legal obligations) with the other party's efforts to obtain protective orders or similar restraints with respect to such disclosure at the expense of the other party.

14.11 The parties may agree to dispute resolution procedures in Special Provisions attached to the Base Contract or in a Transaction Confirmation executed in writing by both parties.

DISCLAIMER: The purposes of this Contract are to facilitate trade, avoid misunderstandings and make more definite the terms of contracts of purchase and sale of natural gas. Further, NAESB does not mandate the use of this Contract by any party. NAESB DISCLAIMS AND EXCLUDES, AND ANY USER OF THIS CONTRACT ACKNOWLEDGES AND AGREES TO NAESB'S DISCLAIMER OF, ANY AND ALL WARRANTIES, CONDITIONS OR REPRESENTATIONS, EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THIS CONTRACT OR ANY PART THEREOF, INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE (WHETHER OR NOT NAESB KNOWS, HAS REASON TO KNOW, HAS BEEN ADVISED, OR IS OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE), WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE, OR BY COURSE OF DEALING. EACH USER OF THIS CONTRACT ALSO AGREES THAT UNDER NO CIRCUMSTANCES WILL NAESB BE LIABLE FOR ANY DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY USE OF THIS CONTRACT.

TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY

Letterhead/Logo	Date: _____ Transaction Confirmation #: _____	
This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated _____. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract.		
SELLER: _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____	BUYER: _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____	
Contract Price: \$ _____ /MMBtu or _____		
Delivery Period: Begin: _____ End: _____		
Performance Obligation and Contract Quantity: (Select One)		
Firm (Fixed Quantity): _____ MMBtus/day <input type="checkbox"/> EFP	Firm (Variable Quantity): _____ MMBtus/day Minimum _____ MMBtus/day Maximum subject to Section 4.2. at election of <input type="checkbox"/> Buyer or <input type="checkbox"/> Seller	Interruptible: Up to _____ MMBtus/day
Delivery Point(s): _____ (If a pooling point is used, list a specific geographic and pipeline location):		
Special Conditions:		
Seller: _____ By: _____ Title: _____ Date: _____	Buyer: _____ By: _____ Title: _____ Date: _____	

Special Provisions ("Special Provisions") attached to and forming a part of that certain Base Contract for Sale and Purchase of Natural Gas dated October 1, 2005 (the "Base Contract") by and between: Bay State Gas Company ("NiSource LDC") and Northeast Energy Associates, A Limited Partnership ("Counterparty").

Capitalized terms used in these Special Provisions shall have the meanings ascribed to them in the Base Contract. Section references in these Special Provisions refer to a Section of the General Terms and Conditions of the Base Contract, unless stated otherwise. In the event of a conflict among the terms of the Base Contract or the General Terms and Conditions and these Special Provisions, the terms of these Special Provisions shall govern in priority.

REDACTED

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
FIRST SET OF INFORMATION REQUESTS FROM THE ATTORNEY GENERAL
D.T.E. 06-7

Date: April 7, 2006

Witness Responsible: Francisco C. DaFonte
Director, Energy Supply Services

REVISED

AG 1-13: Please provide copies of all documents relating to the request for proposals ("RFP") associated with the Company's competitive solicitation process to procure gas supply in this matter, D.T.E. 06-7. Include copies of all the initial request letter(s) sent to each bidder, any updates in those letters, original RFPs, modification or amendments to the RFPs, and any responses sent by the RFP recipients to the Company. Include in this response all evaluations, studies, reports, correspondence, e-mails, notes, presentation materials, and work papers related to the RFP response.

REVISED

RESPONSE: The Company issued the same RFP to all potential bidders and a copy of that RFP was provided in D.T.E. 06-7 as Exhibit FCD-5 to Mr. DaFonte's testimony.

All RFP responses have been provided in this Docket as Exhibit FCD-6 to Mr. DaFonte's testimony. Prebid e-mail communications with certain parties are attached as Attachment REVISED AG 1-13.

All cost and non-cost bidder evaluations have been provided as Exhibits FCD-7, FCD-8, FCD-9, FCD-10, FCD-11, FCD-12 and FCD-13 to Mr. DaFonte's testimony in this Docket.



Kim Hranac
<Kim.Hranac@cnrl.com>
>

To: Don Tulchinsky/BSG/Enterprise@NiSource
cc: Kim Hranac <Kim.Hranac@cnrl.com>
Subject: RE: Bay State RFP for supplies into or delivered AGT

08/12/2005 04:08 PM

Don,
Enjoy your vacation and I will diarize a call to you week of Aug 22-26/

Cheers --
Kim

-----Original Message-----

From: dtulchinsky@nsource.com [mailto:dtulchinsky@nsource.com]
Sent: Friday, August 12, 2005 2:06 PM
To: Kim.Hranac@cnrl.com
Subject: RE: Bay State RFP for supplies into or delivered AGT

Kim, OK thanks for getting back to me so quickly. I am going to be out on vacation next week, so perhaps let talk the week after next.

Thanks!

Don Tulchinsky
Analyst
Energy Supply Services
office: 508-836-7259
cell: 508-330-1483

Kim Hranac

<Kim.Hranac@cnrl.c
Tulchinsky/BSG/Enterprise@NiSource
om>
DaFonte/BSG/Enterprise@NiSource, Kim Hranac

To: Don
cc: Francisco Chico
<Kim.Hranac@cnrl.com>

08/12/2005 03:57
for supplies into or delivered AGT
PM

Subject: RE: Bay State RFP

Hi Don --

Thank you for the opportunity to supply firm natural gas to Bay State; however, Canadian Natural Resources Limited (CNR) and/or its USA subsidiary CanNat Energy Inc (CEI) will not be offering at this time.

CNR &/or CEI do not currently hold firm transport on/to AGT. We do,

however, hold firm TCPL and firm Iroquois capacity. Perhaps, I can give you a call later next week to discuss any opportunities that may exist between our companies.

Regards,
Kim Hranac
CNR
403.514.7712

-----Original Message-----

From: dtulchinsky@nisource.com [mailto:dtulchinsky@nisource.com]
Sent: Friday, August 12, 2005 11:48 AM
To: FDaFonte@nisource.com; kestanley@nisource.com; bvatthauer@nisource.com; dsdishno@nisource.com
Subject: Bay State RFP for supplies into or delivered AGT

Attached please find a Bay State RFP.


(See attached file: BSG Gas Supply RFP.doc) Thanks!

Don Tulchinsky
Analyst
Energy Supply Services
office: 508-836-7259
cell: 508-330-1483



Don Tulchinsky

08/18/2005 09:45 PM

To: "Schiavi, Julia" <JSchiavi@hess.com>
cc:
Subject: RE: Bay State RFP for supplies into or delivered AGT 

Hi Julia,

Yes the start date would be Dec. 06- Feb 07. Its not a typo.

Thanks!

Don Tulchinsky
Analyst
Energy Supply Services
office: 508-836-7259
cell: 508-330-1483
"Schiavi, Julia" <JSchiavi@hess.com>



"Schiavi, Julia"
<JSchiavi@hess.com>
08/15/2005 10:18 AM

To: Don Tulchinsky/BSG/Enterprise@NiSource
cc:
Subject: RE: Bay State RFP for supplies into or delivered AGT

Hi Don,

Thank you for sending this RFP. I just want to make sure, this one starts next winter, Dec 06 - Feb 07? No need for the supply this winter, or has that already been awarded? I can't recall. Thanks, Julia

-----Original Message-----

From: dtulchinsky@nisource.com [<mailto:dtulchinsky@nisource.com>]
Sent: August 12, 2005 1:48 PM
To: FDaFonte@nisource.com; kestanley@nisource.com; bvatthauer@nisource.com; dsdishno@nisource.com
Subject: Bay State RFP for supplies into or delivered AGT

Attached please find a Bay State RFP.

(See attached file: BSG Gas Supply RFP.doc)Thanks!

Don Tulchinsky
Analyst
Energy Supply Services
office: 508-836-7259
cell: 508-330-1483 << File: BSG Gas Supply RFP.doc >>



Johnson David
<DJohnson@njresource
s.com>

To: Don Tulchinsky/BSG/Enterprise@NiSource
cc:
Subject: RE: Bay State RFP for supplies into or delivered AGT

08/23/2005 02:16 PM

After reviewing our options for providing a response to your RFP, we have decided not to make an offer. Our offer would have been at the TETCO Lambertville interconnect rather than the Transco Centerville interconnect. I spoke to the pipeline to see if they would make a receipt point change to your contract from Centerville to Lambertville. They did not provide a clear answer one way or another. Furthermore, when I looked into the pricing of Non NY and TETCO M3 for the time period of the request, TETCO would be a significantly higher price than Transco anyway. Thanks for the opportunity and we look forward to continuing to do business with you in the future. Keep in mind that, as we demonstrated last winter, we will have TETCO M3 available on a monthly, day-ahead and intra-day basis.

-----Original Message-----

From: dtulchinsky@nsource.com [<mailto:dtulchinsky@nsource.com>]

Sent: Friday, August 12, 2005 1:48 PM

To: FDaFonte@nsource.com; kestanley@nsource.com; bvathauer@nsource.com; dsdishno@nsource.com

Subject: Bay State RFP for supplies into or delivered AGT

<< File: BSG Gas Supply RFP.doc >> Attached pleas find a Bay State RFP.

(See attached file: BSG Gas Supply RFP.doc)Thanks!

Don Tulchinsky
Analyst
Energy Supply Services
office: 508-836-7259
cell: 508-330-1483



"LaShelle, Scott"
<SLaShell@sempratrading.com>

To: Don Tulchinsky/BSG/Enterprise@NiSource
cc:
Subject: RE: AGT RFP

08/24/2005 01:51 PM

Thanks Don I will send you something tomorrow.

S.

-----Original Message-----

From: dtulchinsky@nsource.com [mailto:dtulchinsky@nsource.com]
Sent: Wednesday, August 24, 2005 1:50 PM
To: LaShelle, Scott
Subject: Re: AGT RFP

Scott, this is something we are considering seriously, although I can't say this will definitely be awarded. If you want to submit something tomorrow, please do.

Thanks!

Don Tulchinsky
Analyst
Energy Supply Services
office: 508-836-7259
cell: 508-330-1483

"LaShelle, Scott"
<SLaShell@sempratrading.com>
Tulchinsky/BSG/Enterprise@NiSource

To: Don
cc:
Subject: AGT RFP

08/24/2005 01:05
PM

Don:

Sorry that I didnt get anything to you yesterday on the Dec-Feb AGT supply for 2006-2011. Our term trader is out until tomorrow and I dont feel comfortable showing a long term offer given the volatility that we have had in both basis prices and NYMEX over the last week.

Is this something you are really interested in or are you comparing a transportation deal to buying delivered?

Thanks, Scott

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